Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of:	)	
	)	CC Docket No. 02-6
Schools and Libraries Universal Service	)	
Support Mechanism	)	WC Docket No. 13-184

INITIAL COMMENTS BY
THE STATE OF ALASKA DEPARTMENT OF EDUCATION AND EARLY DEVELOPMENT AND
THE ALASKA STATE LIBRARY
RELATED TO THE E-RATE 2.0 NOTICE OF PROPOSED RULEMAKING

Introduction:

The Alaska Department of Education and Early Development (EED) appreciate the opportunity to offer comments to the Commission on the E-Rate Reform Notice of Proposed Rulemaking (NPRM). Alaska, located in the northwest corner of the North American continent, claims 39 mountain ranges that contain 17 of the 20 highest peaks in the United States. Our population of less than one million is spread across an area of 586,412 square miles, with a population density of .91 square miles per person[1]. EED serves not only 54 public school districts and one state school, but also 104 public libraries[2]. 32 of our 54 school districts have an enrollment of less than 500 students and 7 of our 54 school districts have an enrollment of less than 100 students[3].

EED is prepared in this document to offer comments that we feel are vital to both program sustainability and applicant connectivity. We support the following 3 program goals adopted in the NPRM; 1) increasing broadband capacity, 2) improving cost-effectiveness of E-rate purchases, and 3) streamlining the E-rate program to reduce the work burden on both applicants and administration.

Discussion:

The E-rate 2.0 NPRM contains an extensive list of questions that examine and question every aspect of the E-rate program. The Alaska Department of Education and Early Development anticipate that this NPRM could lead to a total overhaul of the E-rate Program. We encourage the Commission to recognize that many applicants have begun work on FY2014 applications and that changes made as the result of this NPRM should commence with the FY2015 funding year, or later. We also encourage the Commission to recognize that the communities of this state represent a unique challenge to the goals we cited in our above introduction. We have tried to share with you examples of our communities as we responded to specific paragraphs from the NPRM.

EED will be offering comments on those sections which we feel have the greatest impact on our state, including discussion of the proposed change in funding allocation.

Section II Goals and Measures

[1] State of Alaska. < http://alaska.gov/kids/learn/aboutgeography.htm>
[2] Alaska State Library, Alaska Libraries. <http://library.alaska.gov/forms/libraryDirectory.aspx>
[3] National Center for Education Statistics (NCES). CCD public school district data , 2012. < http://nces.ed.gov/>

24. *More specifically, we seek comment on whether the SETDA targets are appropriate for all schools, or whether we should set some other minimum levels of broadband speed necessary to meet our proposed goal, and what those levels should be. How much capacity do schools currently use? How are schools' bandwidth needs changing, particularly in those schools that have one-to-one device initiatives? We also seek comment on what our goals should be for schools or school districts with less than 1,000 students and staff if we do adopt the SETDA targets. Will schools with 500 students need 500 Mbps Internet capacity, and how much WAN connectivity will they need? How about schools with 100 students? We also seek comment on the timing of reaching these proposed bandwidth targets for schools. What percent of schools currently have 100 Mbps per 1,000 users? What percent of schools currently have 1 Gbps per 1,000 users? How quickly are schools already moving towards these targets? What percent of schools currently have fiber connectivity to the school? How much would it cost to reach these targets? What are the challenges for schools and the E-rate program in meeting these targets?*

The National Broadband Plan recommended[4] that the FCC set broadband goals. While it is difficult to determine how much connectivity a school or library will need, and certainly needs vary from one applicant to another, the data collected in the Form 471 for Alaska schools and libraries indicates approximately 500 Internet connections are reported by Alaska schools and libraries for FY2013. 58% of those connections are at speeds of less than 10Mb/s, and 28% of those 500 connections are at speeds of less than 3Mb/s. Only 27% of our schools and libraries have bandwidth at or above the 50Mb/s level, and that level of connectivity is largely limited to our applicants located on a road system. While we realize that some of our smallest sites will be among those that do not make it to 100Mb/s in the next years, we do encourage the Commission to set targets for those 1% locations and suggest that it be no less than 40Mb/s phased in over a reasonable amount of time.

Through the Alaska 1-to-1 Digital Learning Initiative, EED and the Alaska Association of School Boards (AASB) have made a large financial investment in one-to-one devices. More than 120 schools across the state currently utilize 1-to-1 electronic devices. These devices have become incorporated into the student's learning day and require that the school increase bandwidth capacity to accommodate this extra demand.

Our struggle as a state is that, while students have access to the Internet at school, many do not have access at home. We appreciate the Community Use Order of 2010, made permanent in the Sixth Report and Order, as it allows bandwidth usage beyond the school day for communities and is a real step in allowing for access where previously there was little or none. Providing the bandwidth that our students need to utilize their 1-to-1 devices continues to be a challenge within our state's vast rural regions.

25. *We also seek comment on the appropriate bandwidth target for libraries. According to the Gates Foundation, the State Library of Kansas has developed a broadband capacity tool that recommends that all libraries have a minimum of 1 Gbps Internet connectivity by 2020 and recognizes that libraries with a large number of connected users will likely need even greater capacity. We seek comment on whether a target of 1 Gbps for all libraries by 2020 is an appropriate measure or whether we should set some other minimum level of broadband speed for libraries necessary to meet our proposed measure and what that should be. We also seek comment on whether we should adopt a WAN connectivity target for libraries interconnected by WANs, and if so, what that target should be. We also seek comment on the target date of 2020 for libraries to have 1 Gbps Internet connectivity. What are the challenges to libraries and the E-rate program of meeting this goal? What percent of libraries currently have 100 Mbps connectivity? What percent of libraries currently have 1 Gbps connectivity?*

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Only one of the 104 libraries in Alaska currently has Internet speeds in excess of 25mb/s. Through a 2010 federal grant and much hard work Alaska libraries now report the following connectivity speeds:

< 1Mb/s connection	7 libraries
1-2Mb/s connection	66 libraries
3-5Mb/s connection	9 libraries
10-25Mb/s connection	25 libraries
25-50Mb/s connection	1 library

[4] National Broadband Plan. Recommendation 11:15 < http://www.broadband.gov/plan/11-education/#r11-14>

While we do not feel that a target of 1 GB/s by 2020 is realistic for our state, we are hopeful that we can reach speeds up to 100mb/s using a reasonable, phased approach for all of our libraries serving a community of 100 or more people. Our communities continue to rely on their library for access to the internet and increasingly more e-government paperwork and workforce development is occurring online. With minimally increased bandwidth at public libraries, more adult Alaskans will be able to take distance courses at the college level for the first time. The Alaska Broadband Taskforce reports that in the last 5 years the number of e-learning courses at the University of Alaska has risen 15 percent, that University of Alaska students participation in one or more e-learning courses rose by 28 percent, and the number of graduate students taking 2-learning courses has more than doubled[5]. We anticipate that this demand will continue to grow and we believe that within the next 5 years the range of needs in our libraries will be somewhere between 10mb/s (communities of less than 500 people) to 1Gb/s (communities of more than 10,000 people).

26. *Further, we seek comment on whether there are schools and libraries in some extremely remote parts of our country where the SETDA and the State Library of Kansas capacity targets may not be economically feasible. If so, why are the SETDA or the State Library of Kansas targets unfeasible and what are feasible connectivity targets or benchmarks for those extremely remote geographic areas?*

Alaska has remote locations where 100Mb/s connectivity targets are not feasible at this time, due in large part to the number of locations that depend upon satellite connectivity to serve their communities and schools. For instance, the Unalaska School District (considered a rural-fringe district under NCES) has access only by satellite. This district has 436 students in 2 schools and a single 3Mb/s connection to the Internet. This 3Mb/s connection has a cost of $98,000 per year, or $241/student[6]. To bring this district up to 100Mb/s may not be feasible both from a financial and a practical standpoint.

EED does not believe that a "one size fits all" approach to connectivity is in the best interests of the applicants or the fund. Our districts and library communities are diverse in more than just population size. A needs assessment done at the applicant level is a more realistic means to establish connectivity targets.

28. *Many of the applications that enable digital learning require not just high-capacity connections, but also high-quality connections that have associated latency, jitter and packet loss requirements. For example, online viewing of a real-time science lecture and demonstration requires low latency (transmission delay), low jitter (variability in the timing of packets' arrival), and low packet loss. Should we adopt latency, jitter and packet loss performance requirements tailored to the specific uses of broadband connectivity by schools and libraries to ensure successful learning experiences? If so, what such requirements should be? We also seek comment on how best to update network performance requirements as technology and network uses evolve.*

More than half of Alaska school districts rely to some degree on satellite connectivity. At the same time, due to our small school populations, we are often dependent upon videoconferencing delivery of coursework by highly qualified educators. It is essential that our students receive the same quality of teaching that their urban counterparts enjoy, and quality of service is a barrier to this experience. Unalaska technology director Chris Bobbitt urges that ***"equal attention should be paid to the quality of bandwidth. In our case the quality is degraded by several factors due to the physics of satellite communications. There is a minimum latency of 550MS built into our connection. I have noticed in recent years, as quality high-speed internet access becomes more available, that cloud services are becoming less latency tolerant. In real world terms what this means for us is that we have frequent session disconnects, restarts, and drops. This is very frustrating and adds significant time to most web based tasks. Second, twice a year our communications are affected by sunspot activity, sometimes degrading to the point of complete loss of communications. In the world of online assessment this***

[5] Alaska Broadband Task Force. Draft Report, 2013. <http://www.alaska.edu/files/oit/bbtaskforce/2013-08-AK-Broadband-Task-Force-Report%7CA-Blueprint-for-Alaska%27s-Broadband-Future.pdf>

[6] Written communication from Chris Bobbitt, technology director at Unalaska School District to Alaska E-rate Coordinator. August 12, 2013

could be debilitating to our students and to our district."[7] Improving both the connection speed *and the quality* of that connection are essential to locations that rely on satellite as their Internet access platform and we support the Commission's efforts to support performance requirements that evolve as technology progresses. The Alaska Broadband Task Force has recommended a maximum latency allowance of 20 milliseconds on terrestrial connectivity.[8]

30. *If we adopt this proposal, we seek comment on how best to collect data on the speed and quality of school and library connections. Currently, all schools and libraries must complete an FCC Form 471 application when applying for E-rate funding, and among other things, are requested to provide information about the level of broadband services requested on that form. The Commission is currently seeking comment on modifying the FCC Form 471 to collect more detailed information from applicants on connection speeds and the types of technologies being used for connectivity.*

We encourage the Commission to revise its data collection mechanism, whether it is included in the body of the Form 471, its Item 21 attachment, or within an applicant portal so that meaningful data can be collected and accessed by applicants, agencies, and industry. More accurate and quantifiable information on connection speeds, connection types, numbers of connections, population served, number of sites, and community use/"school spot" utilization would be welcome and encouraged.

40. *Educational Impact Measurements. Is there a way to measure how success in the classroom is affected by access to E-rate funding or services supported by E-rate? Stakeholders have, in the past, raised concerns with attempts to correlate E-rate funding with educational outcomes. Critics claim that because classroom performance is affected by many factors, there are no reliable conclusions to be drawn. However, proponents believe that assessing the contribution of digital learning and E-rate funded connectivity towards student outcomes may guide schools in determining the bandwidth and usage of broadband that are most effective as well as provide us guidance in ensuring that universal service dollars are efficiently spent.*

EED disagrees that a measurement of the success of E-rate funding is directly reflected in classroom outcomes and performance measures. Connectivity is one of many tools that are available to districts and should not be tied to educational outcomes. We agree that broadband connectivity greatly enhances and allows for information access, videoconferencing delivery, collaboration in real time, and global involvement. It has become an essential tool for today's education. But broadband connectivity on its own cannot determine classroom success, and E-rate program success should not be tied to performance measures.

A more accurate way to measure the success of the E-rate program might be to measure per student connectivity across the country in an attempt to see if the program truly is creating a level playing field with respect to access in all corners of the country. EED suggests that success of the program might better be based on whether ubiquitous broadband adoption has been achieved through the E-rate program. The success of the E-rate program could then be measured by its ability to deliver a more level playing field to all schools and libraries across the country.

54. *We also seek comment on essential definitions for purposes of measurement. When considering different policy outcomes, what are the key concepts that require a formal common definition upfront to enable more desirable measurements (e.g., "per school," "per-student," "per patron")? Unique persistent identifiers are important because they designate which entity is being dealt with and also are used to model relationships. Are there unique persistent identifiers for schools, school districts and libraries? For example, are locale codes used by the U.S. Department of Education's National Center for Education Statistics (NCES), also known as urban-centric locale codes,81 good identifiers to use for schools and school districts? To the extent existing identifiers are missing or have problems, would there be value in creating persistent identifiers or supplementing existing identifiers for some or all such entities, or for other types of applicants? What would be the requirements of such persistent identifiers?*

Locale codes used by the U.S. Department of Education's National Center for Education Statistics (NCES) are a good identifier for school districts and, by extension, associated libraries.

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[7] Ibid.

[8] Alaska Broadband Task Force. Draft Report, 2013. <http://www.alaska.edu/files/oit/bbtaskforce/2013-08-AK-Broadband-Task-Force-Report%7CA-Blueprint-for-Alaska%27s-Broadband-Future.pdf>

They are our most accurate indicator of the distance from an urban center and, by extension, a reliable tool for estimating increased costs due to this distance. We do believe that the existing identifiers work well for all areas *except for those that are not connected to their associated urban areas by roads*. We would encourage the Commission to make additional allowance for locations not connected by roads when reviewing and funding applications. The NCES code 43 for Rural-Remote, the most extreme of the NCES definitions reads **43 - Rural, Remote:**

> Census-defined rural territory that is more than 25 miles from an urbanized area and is also more than 10 miles from an urban cluster. [9]

This NCES locale code assumes a road system to this locale. Alaska's geography and low population density create communities where this designation does not adequately fit because no roads connect the location to the rest of the state. While we do not suggest here revamping the NCES system, we do ask that USAC take into consideration *extreme* remote locations, those not connected by a road system, and allow for the increased costs broadband service to these areas in your funding allocations.

Section III Goal I: Ensuring Schools and Libraries have affordable broadband

65. *To support the goal of ensuring that schools and libraries have access to affordable high-capacity broadband, both to and within schools and libraries, we propose to update the E-rate program's funding priorities, and seek comment on how to do so. In particular, we seek comment on possible updates to the list of services eligible for E-rate support and the related rules to focus funding on those services that provide high-capacity broadband to school and library buildings and those services and equipment that disseminate the high-capacity broadband within those buildings, while deprioritizing or phasing out support for services associated with legacy technologies and services that have little direct educational application.*

EED hopes that the Commission will take this opportunity to update the Eligible Services List (ESL) with an eye to basic conduit access to Internet services. Over the years the ESL has grown in scope and contains services such as hard disk drive storage, voice mail systems, web hosting, e-mail services that, while necessary, compete with the limited resources that the fund has to offer. We encourage the Commission to fund as a Priority 1 service Internet access, and all other services (including voice) would be funded as Priority 2 services with voice being phased out over a 3-5 year period. Services currently under contract by applicants (such as web hosting and e-mail services) that are no longer eligible should be funded only until that contract expires.

66. *We recognize that E-rate has historically provided support for voice services, and voice services remain essential for communications and public safety at schools and libraries. However, we also recognize that voice services may increasingly be transitioning to a low-marginal-cost application delivered over broadband platforms. We seek comment on how to approach voice services within this framework.*

Alaska's schools and libraries are dependent upon voice services at this time. An example of this would be the Aleutians East School District where it is not uncommon for all Internet service to be down for several hours, making basic phone service the only mode of communication with the rest of the world. Alaska recognizes that, as a nation, the way we communicate has shifted to a digital format. We ask that the Commission allow us the time to plan for the elimination of all voice services by phasing out this funding over the course of 3-5 years so that districts that will remain dependent on voice services well into the future are able to reallocate funds to cover the entire cost of these services.

68. *Smaller schools and libraries may not need the bandwidth provided by fiber connectivity and, particularly for small rural and Tribal schools and libraries, fiber connectivity to the school or library may not currently be available in some areas, or requires the payment of very high up-front construction charges. For these schools and libraries, what are the most cost-effective ways to meet high-capacity broadband needs? Are there fixed wireless solutions that are cost-effective for such schools? Are there some schools where satellite connectivity is the only viable option?*

Fiber connectivity is not an option for more than half of the schools and libraries in Alaska at this time. More than half of the school districts and libraries in the State of Alaska are reliant upon satellite Internet

[9] Common Core Data, Identification of Rural Locale. 2012 < http://nces.ed.gov/ccd/rural_locales.as>

connectivity to some degree. The State of Alaska Broadband Task Force, in its July 2013 report adopted the following guiding principles: to accompany its 100Mb/s accessibility to every Alaska household connectivity goal.[10]

- Fiber optic connectivity offers the greatest broadband advantages and can become cost effective when demand is at 300 or more users.
- Where fiber is not an economic option, or where the community size is less than 300 people, microwave connectivity is the more viable terrestrial solution to broadband.
- When microwave is not available satellite, with its latency and high cost issues, is a last option.

77. *If we prioritize some funding for new high-capacity broadband deployment should we be technology neutral or should we prioritize fiber connectivity over other types of broadband connectivity? Should we give schools flexibility to select the best technology that meets their needs? As discussed above there may be some schools and libraries, particularly small rural schools and, where fiber deployment is either not necessary or simply cost-prohibitive.116 How should we address the needs of schools and libraries in areas where fiber is far less likely to be offered or available, such as Tribal lands? Are there other solutions such as fixed wireless or cable solutions that would be sufficient today or in the future for meeting such schools' and libraries' high-capacity broadband needs? Are there deployment costs associated with any of those technologies that should be supported by the E-rate program?*

EED believes that schools and libraries should be given the flexibility to select the best technology that fits their particular needs. Fiber is not an option for many locations in Alaska due to weather and geography. Where fiber is not available microwave connectivity becomes the terrestrial alternative for servicing communities of 300 or fewer people. But microwave connectivity is not available throughout many regions of Alaska, making satellite connectivity the only option. Prioritizing fiber connectivity would penalize locations where fiber is not an affordable or available option.

86. *In 2001, the Commission prohibited E-rate recipients from obtaining discounts under the universal service support mechanism for the purchase or acquisition of technology protection measures necessary for the Children's Internet Protection Act (CIPA) compliance. At the time of the 2001 CIPA Order, protection delivered at the network level was in its nascent stages and now schools and libraries need to employ network-level protection more ubiquitously. Should the 2001 decision to prohibit schools and libraries from receiving E-rate discounts for technology protection measures apply to the broad spectrum of services schools and libraries employ for network security which may include, or go beyond those protections necessary for CIPA compliance, in order to maintain and protect high-capacity broadband networks? We seek comment on whether we should review the 2001 CIPA Order decision in light of the network security needs of schools and libraries today.*

EED believes that technology protection measures are an important tool for digital access to information. While, to some extent, the necessity of a technology protection measure represents an unfunded mandate, we believe that in the interest of both program simplification and the fund's limited resources that the Commission should not revisit the 2001 CIPA Order with the intent of funding network-level protection.

89. *How can we ensure that recurring costs come down sufficiently over time within the E-rate program to make our proposed connectivity goals achievable and sustainable? Are the program's existing matching and competitive bidding requirements sufficient safeguards, or are further steps required? For example, should we phase in maximum per-megabit prices over time that are eligible for E-rate discounts, or set program-wide per-megabit price guidelines or targets? Would such prices give schools and libraries greater leverage in soliciting bids from vendors, or simply limit the choices available to schools and libraries? What should such prices be? If we set maximum per-megabit prices, should we allow exceptions in certain circumstances? What impact would such price guidelines or targets have on schools or libraries in areas that lack competition for high-capacity broadband, such as Tribal lands? How would such prices account for differences between more and less heavily-managed services? We seek comment on other options. Below, we also seek comment on how to maximize cost-efficient purchasing.127 Will these approaches ensure cost-effective purchasing of recurring services?*

EED opposes price per megabit restrictions. If maximum per-megabit pricing is established, Alaska urges you to allow for exceptions in areas that have demonstrated high cost pricing for reasons relating to population density, weather, geography and type of technology (satellite vs. fiber) available.

[10] Alaska Broadband Task Force. Draft Report, 2013. <http://www.alaska.edu/files/oit/bbtaskforce/2013-08-AK-Broadband-Task-Force-Report%7CA-Blueprint-for-Alaska%27s-Broadband-Future.pdf>

90. *Above we seek comment on modifying our rules to ensure availability of the key products and services needed for high-capacity broadband connectivity to and within schools and libraries. We now seek comment on two approaches for streamlining the remainder of the ESL to focus support on high-capacity broadband. First, we propose to phase out support for a number of specific services, including outdated services currently on the ESL, for components of voice service, and seek comment on phasing out support for services that are not used primarily for educational purposes. Second, we seek comment on more fundamentally shifting the way we direct E-rate support to focus exclusively on high-capacity broadband connectivity to and within schools. In so doing, we seek comment on whether there are additional services for which we should phase out or reduce support, including traditional telephone services. Finally, we seek comment on a number of issues that will need to be addressed whichever approach we take*.

EED supports the Commission's desire to modify its rules to allow for greater broadband deployment within its schools and libraries. We support the elimination of services that were utilized when the program began but no longer are relevant today, such as paging and directory assistance, while phasing out others that are still relevant and utilized, such as voice services. We also believe that there are currently eligible services on the ESL that go beyond basic conduit access to the internet, such as web hosting (and its collaborative tools) and e-mail service, which compete with limited funding dollars and should be removed from the ESL, as should Basic Maintenance. The Commission's National Broadband Plan recommended in 11:16 that "The FCC should provide E-rate support for internal connections to more schools and libraries."[11] Demand for Priority 1 services for the past 2 funding years has exceeded the entire E-rate program funding cap[12]. Streamlining the ESL will not only free up much needed dollars for broadband connectivity and infrastructure updates, but it will also aid in program simplification if ancillary services beyond basic access are no longer a part of the program.

91. *We recognize that flash-cuts to support in a funding year could be financially difficult for schools and libraries and therefore, throughout this section, we seek comment on phasing out support for services we remove from the ESL, rather than eliminating them immediately. We also seek comment on other changes we could make, such as assigning such services a different discount rate that would require applicants to pay for a greater share of those services than for services that we consider to be directly connected to the fundamental purpose of the E-rate program. We also seek comment on how to address bundling of supported services, including bundles that include services for which we phase out support.*

EED believes that many schools and libraries may be under contracts which obligate them to continuing service which is currently E-rate eligible. We would encourage the Commission to allow those contracts (minus any allowable extensions) to be fulfilled with E-rate support at its current level. In addition to contract agreements that are in place we support the Commissions plan to phase out voice services (including VoIP) and request a phase out period that begins with FY2015 that asks the applicant to pay an increasing percentage in subsequent funding years until they are carrying the full burden of the service without E-rate support. An example of this could be in year FY2015 of the phase out they pay their discounted amount multiplied by .75, FY2016 funding would be their discount amount multiplied by .5, FY2017 funding would be their discount amount multiplied by .25, and FY2018 would remove the E-rate support entirely.

95. *Components of voice service and supplemental services. We also propose to phase out funding for services that are simply components of voice service as well as those services, other than voice, that ride over or are supplemental to high-capacity broadband connections but are not necessary to make a broadband service functional. More specifically, we first propose to eliminate support for custom calling features, inside wiring maintenance plans, call blocking, 800 number services, and text messaging as components of voice services that may not serve educational purposes and do not further our proposed goals. USAC has estimated that it committed more than $85,000 for 800 number service in funding year 2011 and more than $75,000 for unbundled text messaging in funding year 2011.136 We seek comment on this proposal and we ask whether there are other such services for which we should no longer provide E-rate support?*

EED supports the phase out of voice services and other ride over services that are supplemental but not fundamental to broadband service. We do feel that all of these services are important and relevant in today's schools and libraries, but recognize that the E-rate program simply cannot fund everything for

[11] National Broadband Plan, < http://www.broadband.gov/plan/11-education/#r11>
[12] Letter to Julie Veach, WCB from Mel Blackwell, USAC. April 2013 <http://www.usac.org/_res/documents/sl/pdf/tools/news/FY2013-Demand-Estimate.pdf>

everyone. The scope of our ESL has grown over the history of the program and we are now faced with the inability to fund Priority 1 services without rollover dollars. FY2010 was the last time all applicants could access Priority 2 funding for needed infrastructure build out. If our country is to maintain a healthy and relevant Universal Service/E-rate program, then we all must re-examine the priorities of the program and align eligible services to fund broadband services and basic infrastructure so that all applicants have access.

97. *Based on the concept articulated in the Healthcare Connect Fund Order, we seek comment on phasing out E-rate support for services that are not directly related to connectivity and seek comment on this proposal, such as electronic mail services (e-mail) service and web hosting as supplemental services. In previous proceedings, commenters have claimed that the pricing of web hosting in the K-12 market has become skewed when compared to other commercially available web hosting services and claim that vendors have become adept at packaging their services to increase the cost of web hosting above market rates in order to decrease the cost of the ineligible services.138 USAC estimates that it committed $9.8 million for e-mail services and almost $28 million for web hosting in funding year 2011.139 Should the E-rate fund be supporting services such as web hosting and email at costly monthly rates when many such services are cloud based and offered basically for free to other users? Is there any continuing and compelling policy reason to continue to fund such services?*

EED does not see a compelling reason to continue funding Internet services that are ancillary to basic conduit access to the Internet and digital transmission services. Electronic mail services and web hosting are not fundamental to broadband connectivity. While electronic mail service, like voice services, is extremely important to our schools and libraries, we recognize that the fund is not able to keep up with demand for existing services. EED applauds the FCC's proposed program goal of increasing broadband connectivity and we realize that without a streamlining of the ESL we will be limited in our ability to fund that goal within 5 years. We believe it is prudent to cease support of those services that are ancillary to connectivity so that more resources may be devoted to funding connectivity.

99. *Educational purposes. In the Schools and Libraries Second Report and Order, the Commission determined that activities that are integral, immediate, and proximate to the education of students, or in the case of libraries, integral, immediate, and proximate to the provision of library services to library patrons, qualify as "educational purposes." The Schools and Libraries Second Report and Order also, however, provided a presumption that services provided on-campus serve an educational purpose. More recently, the Commission clarified educational purposes in Schools and Libraries Sixth Report and Order by requiring that schools must primarily use services funded under the E-rate program, in the first instance, for educational purposes.*

The Alaska Department of Education and Early Development, including its Division of Libraries, is comfortable with the clarification of education purposes in the Sixth Report and Order and believe that the Commission has appropriately determined that schools must *primarily* use services funded by E-rate for educational purposes. This clarification provided the necessary flexibility to make the Community Use Order of 2010 a permanent part of eligible service. We do not believe that anything additional must or should be done to define educational purpose under existing program rules.

100. *We seek comment on whether we should make changes to the E-rate program to ensure that supported services are, at a minimum, used for the core purpose of educating students and serving library patrons. More specifically, we seek comment on whether we should allow a school or library to seek E-rate support for services that will be used only by school and library staff, administrators, or board members. If school and library staff use the supported services in their role as educators and information providers but the services are inaccessible to students and library patrons, does this satisfy the statutory requirement that the support be used for educational purposes in 254(h)(1)(B) and that advanced telecommunications be enhanced for all classrooms and libraries in 254(h)(2)(A)?145 Should E-rate funds be provided if school and library staff use such services only for administrative or other purposes not directly tied to education? If funds are provided for administrative or other purposes not directly tied to education, should they have a lower priority than funds provided for the core purpose of serving students and library patrons? Alternatively or additionally, should we stop providing E-rate support for services to non-instructional buildings, such as bus garages? If so, how should we treat non-instructional buildings, such as technology centers, that support E-rate supported services? Are there some administrative functions such as parent-teacher communication that should always be considered as primarily serving an educational purpose? Or, even if there are services that further the educational mission of the school, is it now no longer realistic to support all of these services within our budget since funding is always limited? We invite commenters to distinguish between and among E-rate supported services when responding to these questions. For example, do commenters think we should take a different approach when it comes to Internet access services as opposed to basic voice services? What changes to the E-rate program would be necessary, such as changes to our rules or required program certifications, if we were to limit E-rate funding to services directly available, at least in part, to students and patrons?146 Would*

placing limits on funding for services that are not directly available to students or patrons be too difficult to monitor or audit or raise cost-allocation challenges? Commenters should be specific in their proposals.

EED believes that school and library staffs are vital to the existence of our schools and libraries and that much of the work done that is necessary to educate and provide access to our students and patrons occurs by trained professionals that are laying the foundation for learning and access. E-rate funds should continue to be eligible for all staff employed by schools and libraries. We do not believe that because services are not directly available to students or patrons that they are not being conducted on behalf of education and library service. Non-instructional centers (NIFs) exist because they support schools and libraries in a very fundamental way. The current practice of allowing NIFs to be assigned the average of the entire district has proven to be a successful way of determining funding and we recommend that the existing method not be changed. Cost allocation is a burdensome process for applicants and requiring that administrative use of services be cost allocated would be counterproductive to the FCC's proposed goal of streamlining the administration of the E-rate program.

***101**. Basic maintenance of internal connections (BMIC). We seek comment on phasing out funding for BMIC. For funding year 2011, USAC committed nearly $125 million for BMIC.147 We previously sought comment on modifying our approach to funding for BMIC, and now seek to refresh the record.148 We recognize that maintenance in some form is necessary for broadband and other supported services to remain available to schools and libraries. However, under our current rules which fund BMIC as a priority two service, the same high-discount school districts receive more than ample funding for basic maintenance each year, while other needy schools and school districts have received no priority two support for increasingly important and necessary internal connections. Additionally, it is especially difficult for USAC to monitor compliance with rules regarding BMIC, and BMIC may therefore be more susceptible to abuse than other funded services. We therefore seek comment on whether to amend section 54.502 of our rules by deleting subsection (a)(2) and removing all other references to basic maintenance services.149 We also seek comment on whether there are other provisions of our rules that need to be amended if we phase out support for BMIC.*

Basic Maintenance of Internal Connections is currently available to only a select few high discount applicants and lends itself to program abuse. Basic Maintenance is necessary for all schools and libraries, but we believe that other services are also necessary and should be accessible to all schools and libraries. We have a real and growing need for infrastructure that will support the increased broadband capacity required in the immediate future. Funding for Internal Connections and Broadband Access are vital to making that happen. Maintaining those connections is also vital, but we cannot maintain what we do not have. All but the 90% locations are maintain their networks currently and take full ownership of the complexity and needs of their network. The need for maintenance beyond basic patches and upgrades should be greatly diminished if *every* applicant has access to a refresh of basic equipment refreshes every 3-5 years through Priority 2 Internal Connections funding.

***104.** SECA's recent proposal to streamline priority two services is one example of such an approach. SECA recommends that the priority two ESL be "redefined to focus on ensuring that the transmission of bandwidth inside the building is sufficient, and all other functionality should no longer be eligible for support." It therefore suggests that priority two eligible services should be limited to routers, up to one per building; wireless access points, up to one per classroom for schools; and internal cabling, up to three cabling drops per classroom for schools.153 We seek comment on SECA's proposal, as well as on variations and alternatives.*

EED supports SECA's proposal to streamline Priority 2 services. Our schools and libraries have a high need for infrastructure within our buildings to support increased broadband capacity. We do believe that bringing high capacity bandwidth to the building will not solve our problem of access. We need to be able to transmit that bandwidth inside of the building so that it reaches all of our students and patrons. SECA's suggestion of quantifying what components are essential for a site's internal network and removing funding from equipment that is not fundamental to the transport of information is key in ensuring that adequate funding is available for essential services. In addition to SECA's list of limited equipment EED would like to urge the Commission to recognize that videoconferencing equipment, in areas that rely upon distance delivery of highly qualified instructors, is also vital to transporting information.

108. *We ask about the potential hardship schools and libraries would face if voice phone service was phased out under the E-rate program. As we noted in the E-rate Broadband NPRM, we recognize that local, state and Tribal jurisdictions around the country are facing economic difficulties and budget tightening. At the same time, we seek comment on the extent to which E-rate support for voice service serves to provide schools and libraries access to services they would not otherwise be able to afford, or simply subsidizes voice telephone service that schools and libraries would purchase anyway, including voice services schools across the country may have been paying for in full before the inception of the E-rate program.*

Alaska's schools and libraries all rely on voice services to some degree, with our smallest rural locations being the most dependent. Our smallest school district, Pelican City School District, has an enrollment of 12 students. Their digital presence is a Facebook page[13]. With a district of this size it is easy to see that there is no technology expert on staff to manage digital infrastructure. Districts such as Pelican (7 of our 54 districts have less than 100 students) are more reliant upon voice services and will be most impacted by the loss of E-rate supported voice service. This district currently has a 1.5mb/s Internet connection at a cost of $8,292.00 annually. While they would love to have a bigger connection they cannot currently afford it on their existing budget. If and when they are required to pay all of their phone costs, which increase in district spending will reduce their ability to pay for their own discounted portion of Internet connectivity.

EED requests that the commission consider extending the eligibility of voice services locations that rely on Satellite Internet service. While we agree that the elimination of voice services in general (including VoIP voice services) is in the best interest of program modernization, we stress that *extreme rural remote* locations (those schools or libraries off the road system) consider voice service as relevant today as they did when the program began in times where communication via Satellite connection is lost.

109. *Should the Commission consider subsidizing more cost-effective ways to make local and long-distance calls? Does Voice over Internet Protocol (VoIP) service provide a viable alternative to public-switch telephone service? Has the advent of increased broadband speeds in schools and libraries made VoIP service a more cost-efficient and attractive way to receive voice services? How should our rules accommodate the needs of schools and libraries in areas without VoIP services, including some Tribal lands? Or should the Commission also phase out funding for all voice services, including VoIP service?*

EED sees that only the largest of the school districts within our state are able to afford VoIP phone services. VoIP services carry a hefty price tag for end user equipment and those districts and libraries most reliant upon E-rate supported voice discounts cannot afford this cost or this level of complexity. We ask that if the Commission elects to phase out funding for voice services, that it maintains a level playing field and eliminate the funding for VoIP voice services as well. If one type of voice is eligible while the other is not, we will begin to see applicants selecting services that do not best meet their needs because they are eligible for funding support.

111. *In the paragraphs above, we have proposed or sought comment on proposing phasing out funding for several types of services. If we decide to phase out support for these services, should we begin immediately for funding year 2014? Or should we instead phase down such support over a longer period of time to provide more time for applicants? If so, what period of time would be appropriate? Are there some services we should stop supporting immediately, and others we should phase out incrementally over time?*

With the exception of voice services, we believe that beginning with FY2015 eliminated services should cease being supported, except where an existing contract exists. Where an existing contract exists we ask that the fund provide support through the life of that contract for up to 2 additional years. In the case of voice services, we recommend phasing out support over a 3-5 year period.

115*. To help address high demand for E-rate funding and to ensure equitable access to limited E-rate funds, we seek comment on revisions to the way E-rate funding is currently distributed. As explained in more detail above, under current program rules, eligible applicants must contribute between 10 and 80 percent of the cost of the supported service. The discount available to a particular school is determined by the percentage of student enrollment that is eligible for a free or reduced price lunch under*

[13] https://www.facebook.com/pages/Pelican-City-School-District/121656814575007

the NSLP or a federally-approved alternative mechanism, such as a survey. A library's discount percentage is based on the discount rate of the public school district in which the library is physically located. Schools and libraries located in rural areas also may receive an additional 5 to 10 percent discount compared to urban areas. The rules provide a matrix, produced above in Figure 1, reflecting both a school's urban or rural status and the percentage of its students eligible for the school lunch program to establish a school's discount rate, ranging from 20 percent to 90 percent, to be applied to eligible services.

EED feels that it is important to consider both poverty and locale when determining the amount that an applicant can pay. The current system of using NCES codes to determine locale. While the NCES locale codes fail in designating extreme remote rural locations that are not located on a road system, it still is the best tool that we have for determining the urban/rural status of a site. We encourage the Commission to recognize those extreme locations, as they are typically the ones with the highest costs and least ability to pay their non-discounted share. We believe that, when paired with U.S. Department of Agriculture data which measures poverty, we have a system that fairly addresses a location's ability to pay. We do not believe that there should be a downward adjustment of the applicant's non-discounted share for Priority 1broadband service. We do support a change in the discount matrix for Priority 2 services that provide infrastructure that reflect a greater applicant contribution while still considering both locale and poverty.

116. *Below we seek comment on six options for revising the structure for distributing funds under the E-rate program by: (1) revising the discount matrix to increase certain applicants' matching requirements; (2) providing support on a district-wide basis; (3) revising our approach to supporting rural schools and libraries; (4) incorporating a per-student or per-building cap on funding into the discount matrix; (5) providing more equitable access to priority two funding; and (6) allocating funds to all eligible schools and libraries up front. These options are not necessarily exclusive of one another and we encourage interested parties to address comprehensively the various proposals, particularly if aspects of one are in tension with another. We also ask that parties consider the impact of changes to the discount matrix on libraries, and we seek comment on what particular challenges libraries will face if we change the discount matrix.*

EED does not see these six options as being mutually exclusive and will address each separately.

1) We do not believe that the discount matrix needs to be revised to increase certain applicant' matching requirements for Priority 1 services. We do believe that the discount matrix for Priority 2 services should be revised to increase certain applicant' matching requirements with the intent that all applicants at some point in a 5 year cycle will have access to Priority 2 funds;
2) We support funding on a district-wide basis;
3) We recommend that the Commission maintain a distinction between urban and rural locations, and adding additional columns to the matrix that align themselves with the NCES designations of City, Suburb, Town, Rural. We also recommend adding a 5th column for locations that do not have roads that connect them to the rest of the state.
4) We oppose incorporating a per-student or per-building cap on funding into the discount matrix. We do not believe that, even considering expanding the discount matrix, we will be able to achieve equity across the unique situations found across our vast nation. We believe that Alaska will be harmed in a per-student cap approach. Example: The Tanana City School District has one single broadband connection of 1.3mb/s to its single school. That connection costs $66,000 annually and the student enrollment for the Tanana City School District is 42 students. The cost per student for that bandwidth (this does not allow for any funding any other services beyond bandwidth) is $1,571/student. This is not a unique district in our state and we would be happy to provide more examples.
5) We request that the Commission revise the program, through streamlining and raising the funding cap, so that all applicants are able to access Priority 2 Internal Connections funding at least once every 5 years;
6) The only way that we anticipate the program of having the ability to allocate funding "up front" would be if the program would switch to a per-pupil or per-site allocation and we are not in support of that, as discussed in #5 (above).

118. *Increasing applicants' matching requirement. Gradually increasing the minimum matching funds provided by applicants would broaden the availability of E-rate support. In funding year 2011, for example, USAC committed approximately $818 million in support for applicants at the 90 percent discount level, and $790 million in support for applicants at 80-89 percent discount levels. Thus, nearly two thirds of all funding went to applicants at these funding levels. Some previous commenters have*

suggested reducing the maximum discount rate to 80 or even 70 percent.169 If the maximum discount rate had been 80 percent in funding year 2011, there would have been approximately $150 million in funding to spread more widely to applicants who did not receive support for priority two services.

EED believes that if we truly want to reach the proposed Commission goal, as well as the ConnectED goal, of 100mb/s connectivity to our schools and libraries in the next few years EED does not believe we can consider reducing the applicant discount at this time. While most of our districts and libraries are struggling to pay their current share for the bandwidth that they can afford, they are under subscribed. According to the data collected on the block 2 data collected on the Form 471s we have the following connections:

	Dial-up	<1.5mb/s	<3mb/s	<10mb/s	<25mb/s	<50mb/s	<100mb/s	>100mb/s
schools	9	18	49	132	160	71	57	78
libraries	0*	0*	66	9	20	1	0	0

* libraries with dial up or kb/s access do not apply for e-rate

119. *Increasing the matching requirement could also encourage applicants to make more efficient and smarter decisions. In 2003, a USAC task force on the prevention of waste, fraud and abuse found that increasing the percentage of costs that schools and libraries pay for E-rate supported services would encourage more careful and cost-efficient purchasing of E-rate supported services and would thereby reduce the risk of waste, fraud and abuse of E-rate funds.170 Therefore, it recommended requiring applicants to pay at least 20 percent of the price of priority two E-rate services. We seek comment on that analysis.*

EED recognizes that there is a difference between Priority 1 *recurring service* and Priority 2 *purchases*. While we do not support an increase in the applicant share of Priority 1 services, we do support an increase in the applicant share for Priority 2 services. While we believe that the added burden by districts may in some instances, lead to smarter purchasing decisions, our main objective is to allow all applicants access to Priority 2 funding for Internal Connections projects at least one every 5 years.

121. *Recent changes to the Rural Health Care program provide an example of the potential benefits of reducing the maximum discount level. In adopting the Healthcare Connect Fund Order last year, the Commission required fund recipients to contribute 35 percent of the costs of the supported services. The Commission found that requiring recipients of Healthcare Connect funds to contribute 35 percent of the costs of services gave health care providers a strong incentive to control the total costs of the supported services and "appropriately balances the objectives of enhancing access to advanced telecommunications and information services with ensuring fiscal responsibility and maximizing the efficiency of the program."*

EED does not agree that an examination of the Healthcare Connect funds should be transferred to the budgetary situations in schools and libraries. We believe that applicants in high poverty communities found in high cost areas will be never be able to afford a 35% contribution if they are to achieve the connectivity goals proposed in this NPRM. There simply is not the money in the budgets of small organizations to pay the high costs where terrestrial broadband does not exist. They can be very smart with the dollars that they do have, but if per student broadband costs represent a quarter of the per/pupil allocation given to a district than that district is faced with an impossible choice.

From a library perspective, most libraries in Alaska have revenues of under $50,000. Eagle Public Library, in Eagle Alaska, is on the road system seasonally and runs a robust offering of programing for their community of approximately 150 people. Eagle Public Library's single 1.5mb/s satellite broadband connection carries a monthly cost of $62,400 and the library's annual share is $12,480, or two-thirds of the $17,557 annual budget for the library. This 80% library is struggling to maintain its current 1.5mb/s connection. Absent a federal grant and EED's assistance even this 1.5mb/s connection would not be possible. Currently growth to their desired connectivity is not a possibility, even with grant and EED assistance. During their last procurement cycle Eagle Public Library was quoted a price of $530,400 annually for a 24mb/s connection. Clearly this library is currently requesting what it can afford for bandwidth rather than what it needs. If the non-discounted share were to go up for this library it would be forced to subscribe to less bandwidth because its budget cannot support an increase in the discounted share.

122. *We anticipate several advantages to increasing the matching requirement even if we do so over time. For example, requiring the schools and libraries with the highest discount rate to pay for a greater share of their purchases could help drive down the purchase price for E-rate supported services. Applicants receiving substantial (80-90 percent) discounts have greatly reduced incentives to ensure they are receiving the lowest priced services or that they are getting only services they need. We also seek comment on the other benefits, as well as the drawbacks, to increasing schools' and libraries' minimum matching requirement for E-rate supported services.*

We believe that there may be instances where satellite Internet connectivity is the only available option. The costs associated with satellite connectivity are high and an applicant may not be able to afford their discounted share. Service providers do not base their connection pricing by the number of individuals that will be using that bandwidth. Locations with high costs and low populations are in the very real position of selecting what they can afford rather than what they need. If their share of the cost were to increase the concern would be that they would decrease rather than increase their broadband subscription out of economic necessity.

126. *We seek comment on requiring all schools within a school district to submit applications by school district, rather than by individual school or groups of schools within the same discount, and to use the average discount rate for the entire school district rather than the weighted average for each school building. We also seek comment on whether all libraries located within a school district should use the school district's discount rate when calculating their discount rate.*

EED supports the requirement that all schools within a school district submit applications at a district level and use the simple average discount rate for the entire district. We believe that libraries located within a school district should use the school districts discount when applying for E-rate funding.

129. *Accordingly, we propose to revise section 54.505(b) of the E-rate rules to read: School districts shall calculate discounts on supported services described in § 54.502(b) by calculating a single discount percentage rate for the entire school district by dividing the total number of students eligible for the National School Lunch Program within the school district by the total number of students within the school district. This single discount percentage rate shall then be applied to the discount matrix to set a discount rate for the supported services purchased by all schools within the school district.*

We seek comment on this proposed rule. We also seek comment on whether we should define "school district" for purposes of this proposal.

We support this proposed revision of section 54.505(b) of the E-rate rules to reflect a district-wide discount percentage.

132. *We also seek comment on whether we should require schools and libraries to submit applications for priority one services by school district. Commenters should address what, if any, additional burden such proposal may place on applicants. In addition, we seek comment on whether to limit applications for a school district to one for each category of service requested. For example, if the Commission retains the current priority one and priority two distinctions, an applicant could only submit two applications – one for each category. What are the advantages and disadvantages of such a requirement?*

We do not support a limit on applications for a school district or library. There are many instances where a funding request is omitted from the original application and a second application is necessary to correct such an omission or ministerial error. Limiting the number of applications creates a harsh environment for the applicant that the Bishop Perry Order has done well to correct.

We do support the requirement that school districts and libraries submit applications as a district or library system, rather than by individual sites. We do not foresee any additional burden that this would create on the applicant and feel this could reduce the burden of application reviews by USAC.

133*. In order to ensure more equitable access to E-rate funding, we seek comment on whether we should further increase the discount rate or the amount of E-rate funds available for schools and libraries in rural areas or in remote rural areas. When the Commission created the E-rate program, it recognized that schools and libraries in rural areas would likely face higher costs for E-rate supported services, and therefore provided an additional 5-10 percent discount rate for rural schools and libraries that would otherwise receive a discount rate of 60 percent or less. E-rate has been crucial in supporting connectivity to rural schools and libraries. However, those schools and libraries in rural areas that also have a high percentage of students that qualify for free or reduced-price school lunches do not get an additional discount, even though there costs may be higher. We therefore seek*

comment on whether all rural schools and libraries, or those in remote-rural areas should receive additional E-rate support to recognize the unique challenges of providing services in rural, less dense areas.

We urge the Commission to look at a more equitable access to e-rate funding for remote rural areas. Earlier in these comments we stated that the rural-remote locale code reads:

> Census-defined rural territory that is more than 25 miles from an urbanized area and is also more than 10 miles from an urban cluster.

We have communities in our state that are much more remote than this definition. In addition to their greater distance from urban areas and urban clusters, these locations are separated by mountain ranges and lack a road system that connects them to the rest of the state. We consider those locations to be extreme rural remote locations and we feel that an additional 10% discount for these schools and libraries is justified in order to approach parity with applicants who do not face the high costs of these locations.

134. *Conversely, some commenters argue that the Commission should adjust the discount matrix so that E-rate applicants with similar levels of participation in the national school lunch program receive the same discount percentage, regardless of the location. Given that most E-rate funding goes to schools and libraries that receive discount rates above 60 percent, and therefore the majority of E-rate funds USAC commits are not subject to the discount, is there value in simplifying how discount levels are established for all schools and libraries, as these commenters suggest? Should our approach differ for priority one and priority two services?*

We believe that both the poverty and the locale of an applicant are significant factors to consider. Each factor is only half of the whole picture, and both descriptors must be taken into consideration when establishing a method of funding dispersal that is fair to the students and communities that the program serves. We do believe that considering both poverty and locale should be considered in all funding approaches, but that the ultimate discount awarded for Priority 2 could be reduced proportionally so that these funds could be extended to all applicants on a rolling basis.

135. *In this section, we seek comment on whether we should impose a per-student or per-building budget, or similar limits, on funding for schools and libraries. Building on a recommendation of the 2003 USAC Task Force, Funds for Learning, an E-rate consultant that has analyzed USAC's data, has argued that appropriately-structured budgets on a per-student or per-building basis could lead to more equitable and predictable distribution of E-rate funds by limiting the funding that is allocated to a small number of high-spending applicants. According to Funds for Learning, 2012 funding requests averaged $44.30 per-student for priority one services across all applicants, but more than 10 percent of applicants sought funding of at least $180 per-student for priority one services.201 Notably, four school districts in the nation's largest cities requested at least $240 per-student, and more than a dozen other applicants sought over $1,000 per student in total support in funding year 2012.*

We do not believe that per-pupil funding will meet the needs of a diverse nation because broadband costs are not level across the nation. The Alaska Gateway School District has 7 schools with connections of less than 10mb/s currently. Their Internet costs alone currently run $1,231/student ($408,627 annual Internet cost for 332 students). This example represents the typical rather than the extreme case in our state. Per-pupil funding can only place remote locations with Internet costs at a disadvantage. Unless the Commission is prepared to add a per-pupil funding amount on top of a site allotment that exceeds $100,000, we cannot support this method of funding. In the case of the Alaska Gateway School District, a per-pupil allotment of $240 would mean $79,600 in funding. This would reduce the district funding by $328,947 or approximately 400%. Without a building allotment upon which per-pupil funding can be added Alaska believes that we and other rural locales around the nation would be harmed.

Capping support on a per-building basis would likewise place remote locations at an extreme disadvantage. Remote schools must pay the additional transport cost to Anchorage, where it can then be carried by fiber to the Lower 48 states. Anchorage schools only need to connect to the fiber bound for the contiguous United States. Even factoring in the distinction between urban and rural locations, these additional transport costs to rural locations can increase cost exponentially.

140*. We realize that anything but a very high per-student limit could prevent the smallest schools and particularly those in remote areas of the country, such as schools on Tribal lands, from affording supported services. Is this an argument for using per-building caps for certain types of services instead? As we did in the E-rate Broadband NPRM, we also seek comment on whether there should be a minimum amount of E-rate support for which a school, library, or school district is eligible,*

irrespective of the number of students, and what it should be. If a minimum amount is established, how should we compute that minimum? Should we provide for different limits depending on the number of students at a school or in a school district? If so, what should those limits be? We also repeat our question about whether any limit should permit additional funding for rural applicants, either by establishing a higher limit for rural applicants or through some other mechanism.

We agree with your statement that the smallest and most remote locations could be harmed unless a very high per-student limit can be applied. We do not believe that per-pupil allocations should be used, but if they are then we believe the smallest schools and libraries in the most rural locations should have a minimum allocation, upon which a $240 per pupil allocation is added. We estimate that this site minimum would be somewhere between $100,000 and $200,000 per site.

149. *In this section, we seek comment on a more fundamental approach to changing the distribution of E-rate funding. Under this approach, we would eliminate the discount matrix and the priority system; instead, each eligible applicant would receive a fixed budget at the beginning of the funding year to spend on any eligible services of their choosing. In contrast to the existing system, whether or not a school or library receives funding would be determined at the beginning of the funding year; thus applicants could know the amount of funding available before committing to any particular project. We seek comment on this approach. We seek comment on the costs and benefits of this approach, how this approach would impact other proposals we have discussed herein, and whether it would further our proposed goals.*

EED does not support this method of distribution of E-rate funding. While it would be of benefit to schools and libraries to know the amount of funding available at the onset of any given year, the sacrifice for such a simplistic approach outweighs the benefit. We applaud the Commission for looking for ways to simplify the program, but do not believe that a per-pupil allocation takes into consideration the differences in our communities and schools. While the funding cap continues to prove problematic, current method used to *distribute* E-rate funding is not broken. It has worked well in the past and acknowledges the differences in economy and locale. We recommend that adjustments to the current system be made to improve upon it.

173. *Alternatively, we seek comment on whether a temporary increase in the E-rate cap is necessary to reach our goals and ensure high-capacity broadband connectivity to and within schools? If we were to authorize such a temporary increase, should we modify our rules to focus the temporary funds on providing services related solely on high-capacity broadband connectivity? What services should be eligible for support under such a short-term program? How much short-term funding would be needed to connect all or virtually all schools to infrastructure or other connectivity sufficient to meet their needs? How much short term funding, and over what period of time, would be needed to provide robust internal connections sufficient to take advantage of the high-capacity broadband connectivity to schools and libraries? Should any such funding be allocated using the generally applicable discount matrix, application process, timeline, and other rules, or should we consider modifications, for example to accelerate availability of funding for upgrades? If we consider a temporary increase in E-rate funding to upgrade school and library connections for digital learning, should we limit participation to only some category of applicants, such as only regional consortia?*

In order to accommodate 100mb/s connectivity our schools and libraries have preparation work to do. Bringing bandwidth to the door is only half of the problem. Our schools and libraries also need to have the infrastructure necessary to make use of that connectivity once it enters our buildings. That means that we need the opportunity to update our Internal Connections. If the E-rate program were to provide for one time funds (perhaps awarded over 3 years as sites became ready), using the existing application process, that would prepare our schools and libraries for the increased connectivity we could then utilize the increased broadband that we are working toward. Once these anchor institutions across the nation have had the opportunity to prepare for the bandwidth that is coming, the one-time monies will be gone but these schools and libraries should have the opportunity to maintain their infrastructure by accessing Priority 2 funding for Internal Connections at least once every 5 years. In this way schools and library will be able to keep their infrastructure updated and relevant to the ever increasing bandwidth that their students and communities will demand.

Section IV Goal 2: Maximizing the Cost Effectiveness of E-rate Funds

206. *Our rules require E-rate applicants to "conduct a fair and open competitive bidding process," as spelled out in our rules. Our rules also require E-rate applicants to comply with state and local competitive bidding requirements. We seek comment on whether we should exempt certain applications or applicants from the E-rate competitive bidding rules on the basis that they are complying with state and local competitive bidding requirements. Commenters should identify the criteria they recommend using for selecting which applications or applicants should be exempt from our competitive bidding requirements, and how we can assure that such an exemption does not increase the opportunity for waste, fraud, and abuse, and, if so, what criteria should be used for any exemptions. If we adopt this exemption, should we limit it to purchases below some threshold? What should that threshold be? We seek guidance on providing USAC a practical, reliable, and minimally burdensome way to confirm that the applicants claiming such an exemption had actually complied with these procurement processes. We also seek comment on what USAC should consider as sufficient documentation of compliance with state or local procurement rules. Further, we seek comment on whether we might consider a de minimis exemption. For example, if an applicant's total annual E-rate purchases fall below some minimal threshold, should that applicant be exempt from the competitive bidding requirements? What should that threshold be?*

EED believes that if an applicant has state, local, or organization procurement procedures that govern their procurement process they should be exempt from the E-rate competitive bidding rules on the basis that they are already complying with competitive bidding requirements. Applicants should provide a link to those procurement rules and procedures either on the Form 470 or the proposed applicants' online portal.

Section V Goal III: Streamlining the Administration of the E-rate Program

229. *SECA suggests that all of an applicant's forms and correspondence with USAC should be available from a centralized portal so the applicant can retrieve current and prior years' information to use as a starting point for new form submissions.287 SECA states that online functionality will conserve on data entry and problem resolution resources that USAC currently must utilize as well as customer service bureau inquiries.288 Facilitating access to previous applications will also make it easier for applicants to file forms that are similar to those of previous years and eliminate the duplicative requests for information during PIA review since all the requested information would be available online and available for review.289 We seek comment on SECA's proposal and any alternative ways to simplify the submission and receipt of FCC forms and other correspondence to USAC. Another way to increase E-rate program efficiencies is automate more of the processes for the program. In addition to requiring online filing, we seek comment on whether there are administrative processes in the program that could be automated and would also result in cost savings and efficiencies. What could be gained by increasing the amount of automated processes at USAC and how could this be best achieved? For example, would increased automation in the application process result in quicker commitment decisions? What aspects of this process lend themselves to automation? What are the ways that increased automation can lead to efficiencies and cost savings? What are the ways automation could reduce or eliminate improper payments? Commenters should be as specific as possible in their proposals.*

EED believes that moving to a centralized portal for applicants is a crucial "next step" in program simplification. This is perhaps one of the most significant program updates, from an applicant perspective, that the Commission could make. The current data collection system at USAC is really a collection of programs that do not talk with one another, causing the applicant to exit out of one program in order to grab information from another, so that they can then go back to the first program and enter that information, so that they can then find the information that they were seeking in the first place.

Imagine this: An applicant wants to see a copy of their current application while they are away from their files. Because USAC encourages online filings you would think that looking up a copy of their application would be a simple search. In reality the applicant currently must jump in and out of a series of databases to find what they need. The applicant must go into *the Data Retrieval Tool*, search all of the schools or libraries in their state, requesting that applicant name and billed entity number (BEN) be listed fields. Once they download that spreadsheet and locate the BEN for their school or library, they then go to the *Apply Online* link in the USAC website, select *Application Status* feature from the Form 471 column, and furnish their BEN obtained from the previous spreadsheet. This search will yield the applicant a list of applications filed for their agency. The applicant must then take their desired application number, exit out of that function and then go to the *Display* search in the Form 471 column. By entering the application number the applicant can then see the application. The moral of this story is that applicants desperately need a user friendly portal interface if they are to begin viewing this program as manageable. This NPRM suggests that the application process has become so complex that many

applicants feel they need a consultant to help them navigate it. A portal would be a tremendous first step in providing applicants with access to their own information in a manageable way.

232. *We seek comment on ways to increase transparency throughout the application, commitment and disbursement processes, so that applicants have a better understanding of the status of their funding requests. SECA suggests, among other things, that the longer a decision is pending, the more status update information should be made available on USAC's website to the affected parties. SECA therefore proposes that USAC should provide additional levels of detail in its "Application Status" tool on its website to provide applicants with a better understanding of where their application is in the review process. For example, SECA suggests additional designations, such as "Normal Review," "Selective Review," "Policy Review," "Investigative Review," and "Pending Program Decision on Available Internal Connection Funding." Additionally, in cases where USAC is waiting for an applicant submission, it could indicate as part of the application status that it is "awaiting applicant's response to USAC's request on [date]." We seek comment on SECA's proposal and other ways in which to increase transparency of the review process for applicants.*

EED supports the suggestions made by SECA that more detailed information should be provided to the applicant during the review process. We ask that, as USAC updates their capabilities to allow for an applicant portal that this be incorporated into this functionality. In the even that an applicant portal not be a part of program simplification, we ask that enhanced application status descriptors become a searchable field in the Data Retrieval Tool.

237. *Further, for USAC to more quickly release funding commitment decisions, should we limit the number of opportunities applicants are given to respond to USAC's requests for documents and clarification? As part of its review, USAC routinely gives applicants additional time to provide missing or incomplete information to USAC during PIA review. When applicants' timely request an extension of time to submit documentation, USAC grants such extensions and gives applicants additional time to respond to their requests for information.302 The Commission has granted waivers of the E-rate rules providing applicants with additional time to submit documentation to USAC. These extensions of time also delay USAC's application review process and ultimately hinder the prompt release of funding commitment decisions. We thus seek comment on whether to limit the number of opportunities and length of time that applicants have to submit complete information to USAC in response to USAC's requests. Commenter's should specifically indicate any potential problems that may arise if we reduce the window of opportunity and any concerns with modifying USAC's outreach to gain complete information to complete their review of pending FCC Form 471 applications.*

It is our experience that applicants have good cause when they request an extension so that they can more accurately provide reviewers with information. Schools and libraries have many concurrent activities and personnel that wear many hats. The key individuals necessary to provide information are not always available. Third party verification is often required and that involves contacting an individual outside of your own organization. Dialogue with a service provider may be required. All of these scenarios, and more, can and do occur during the review process. For this reason we strongly urge the FCC to order USAC to continue issuing extensions when they are requested. An extension gives the applicant two additional weeks of time. That additional time can mean the difference between an accurate response that leads to a positive funding award and an incomplete response that has the result of a negative funding decision, which leads to an appeal.

238. *Are there current cost-allocation challenges that impose undue burdens on applicants and on USAC that could be removed? For example, some states do not include preschool within their definition of elementary schools. In such states, preschools classrooms are therefore currently not eligible to receive support for E-rate services, even when those preschool classrooms are located within an elementary school building that otherwise receives E-rate supported services. As a result, in such states, applicants must cost-allocate the expenses for providing E-rate supported services to preschool classrooms, and exclude those expenses from requests for E-rate support. Consistent with the Commission's allowance for the community use of E-rate services, would an exception for these classrooms improve the efficient use of E-rate eligible services and reduce the administrative burden? Are those costs typically so small that the burden of cost allocation and administrative review outweigh the benefit to the Fund of requiring cost-allocation? Commenters should be specific in their proposals.*

We believe that preschool students should be considered ancillary and should not require a cost allocation when funding an eligible site. Excluding preschool students attending a school from E-rate support creates an administrative burden to the applicant as well as an additional burden during the review process. These costs typically represent a small percentage of the school population and EED knows of

no districts that have increased their connectivity requests as the result of pre-school students at a particular site.

***242**. Second, we seek comment on amending our rules to permit multi-year commitments in the E-rate program. In the Healthcare Connect Fund Order, we allowed applicants to request a funding commitment for a multi-year contract that covers up to three years of funding.309 Unlike the E-rate program, however, the universal service rural health care program is not currently oversubscribed, so it is more feasible for that program to issue multi-year commitments. Is this difference relevant to our handling of multi-year commitments? Should multi-year funding commitments in E-rate be conditional on the funds being available in subsequent years?*

EED encourages the Commission to adopt rules that would allow USAC to make funding commitment decisions for a multi-year contract that covers up to three years of funding. We realize the E-rate program has a demand that exceeds capacity at this time but do not believe that this is a barrier to instituting this change. We suggest that an applicant could make a certification that acknowledges that the funding commitment is contingent upon USF funding available in subsequent years of the contract.

***250.** In the Healthcare Connect Fund Order, the Commission determined that it should support broadband Internet access services and also high-capacity transmission services offered on a common carrier and a non-common carrier basis to allow health care providers to choose from a wide-range of connectivity solutions using any technology from any provider.317 Building off this decision, we seek comment on eliminating the regulatory categories with respect to E-rate supported services. Instead, we propose only that an applicant indicate on the FCC Form 470 the requested service priority level as well as provide enough detail for service providers to identify the requested services and formulate bids on the FCC Form 470.318 The FCC Form 471 application would also require the service priority level (e.g., priority one or priority two) and the Item 21 attachment would continue to be used by applicants to describe the services for which they seek discounts for each funding request. We seek comment on these changes to the E-rate forms.*

EED recognizes the importance of broadband support and agree with eliminating the regulatory categories with respect to E-rate supported services. We believe that this program simplification will streamline the application process and remove the potential problem that applicants face when they check the incorrect category of service. We encourage the Commission to improve upon the Item 21 attachment and the data that it collects, and ask that these documents become searchable in the future.

Section VI: Other Outstanding Issues

***274.** We also seek comment on whether the phrases "having computers with Internet access" and "with respect to any of its computers with Internet access" and other similar language in the statute means that schools and libraries are required to comply with CIPA only with regard to those computers that they own or control. Does this interpretation fulfill the intended purpose of CIPA? We also seek comment on whether we should amend our CIPA-related rules to reflect this reading of the statute, and if so how should we amend them. In the alternative, we seek comment on whether CIPA should be interpreted more broadly to be focused on protecting children from harmful online content on any device, and therefore require CIPA compliance with respect to any computer that is accessing the Internet using E-rate supported Internet access or internal connections, regardless of the ownership or control of the device used to access such content.*

EED believes that CIPA's requirement of a technology protection measure "with respect to any of its computers with Internet Access" is clearly stating that any computers owned by a school or library must comply with CIPA, including some technology protection measure. We believe that CIPA should interpret "its" to mean those school/library owned computers and that program simplification would *NOT* be served if the Commission develops a broader interpretation.

***275.** Off-Campus Use. We seek comment on whether CIPA requirements extend to school or library computers taken off-campus* and used with outside networks that are not supported by E-rate. If we find that CIPA requirements do not apply to computers *with Internet access when used with networks that are not supported with E-rate funds, how should we address instances where school or library computers are used to access the Internet using a service that is supported for on-campus use, but not for off-campus use? For example, if a student uses a tablet with an Internet access data plan, the school could seek E-rate support for the portion of the cost of the data plan used on-campus, but not for the portion used off-campus. Should the CIPA requirements only apply when the computer is used on campus, because the school is not seeking E-rate support for the off-campus portion of the cost of the data plan? We also seek comment on whether our existing CIPA-related rules need to be amended to cover these off-campus use situations. We request that commenters be as specific as possible when recommending amendments to our rules.*

EED believes that the CIPA requirement is in effect for school/library owned devices or when accessing the Internet through federally supported bandwidth. We also believe that the CIPA requirement is in effect when student/patron owned devices access school (E-rate supported) bandwidth. The CIPA requirement applies whenever Internet access is supported through E-rate or other federal dollars, regardless of where the device is being used.

279. *An alternative to relying on NCES codes would be to use census data. The census classifies areas into three groups: urbanized areas, urban clusters, and rural areas. Urbanized areas "consist[] of densely settled territory that contains 50,000 or more people," urban clusters "consist[] of densely settled territory that contains at least 2,500 people, but fewer than 50,000 people," and rural areas include all areas that are not urbanized areas nor urban clusters.370 As of the 2010 Census, 220 million Americans lived in urbanized areas, 29 million lived in urban clusters, and 59 million lived in rural areas.371 How could we use census data to classify a school for purposes of E-rate? Should it be based solely on the location of the school, and if so, should the "rural" designation only apply to schools located in rural areas or also those in urban clusters? Should it be based on where its students live, so that if a majority of student live in a rural area, the school should be designated "rural" for E-rate even if it's located in an urban cluster? How should the classification account for the fact that schools are often located in small towns, which may be considered urban clusters, even though the costs of providing to the service to the school are significantly higher than the costs in urbanized areas (such as cities and their suburbs)? We seek comment on relying on census data for purposes of the rural-urban classification, and on changing our rules to read as follows:*

> *The Administrator shall designate a school or library as "urban" if and only if the school or library is located in an urbanized area as determined by the most recent rural-urban classification by the Bureau of the Census; the Administrator shall designate all other schools and libraries as "rural".*

EED encourages the Commission to continue its use of NCES locale identifiers. Census classifiers, which consist of urbanized, urban, and rural are less adept at identifying rural locations. While we do fault NCES locale codes for not recognizing extreme remote rural locations that lack a road system which connects them to the rest of the state, we believe that it is an improvement over the Census classifiers.

280. *In 2010, the American Library Association (ALA) pointed out that libraries do not have urban-centric locale codes.372 We therefore seek comment on how libraries should determine whether they are considered urban or rural. How can we ensure libraries serving rural areas receive sufficient support? Should libraries use the locale-code of the school closest to each library? If we adopt our proposal below to adopt district-wide discount criteria should a library use the urban-centric code of the school district in which it is located? Are there any library systems that have facilities in multiple school districts? If so, we seek comment on how to account for such library systems. We also invite commenters to suggest alternate definitions of rural for use in the E-rate program, and we ask that commenters who offer other definitions explain the benefits and drawbacks of their proposals as compared to our proposal.*

Libraries should continue to share the same locale codes as the school district in which they reside. If the library is expansive and encompasses more than one school district, it should be the weighted average of the district(s) in which it resides.

289. *Currently, if a school uses a school-wide income survey and at least 50 percent of the surveys are returned, the school may calculate the percentage of NSLP-eligible students from the returned*
surveys and project that percentage of eligibility for the entire school population, for purposes of determining its discount rate under the E-rate program.389 We take this opportunity to revisit that practice, and seek comment on whether allowing schools to project the percentage of their NSLP-eligible students unreasonably distorts the number of needy students by artificially inflating the E-rate discount rate they are able to claim. Should CEO or other schools that use school-wide surveys be allowed to project the percentage of their NSLP-eligible students based on the surveys they receive as permitted by our current procedures? Would those projections be more accurate if we require schools to receive a higher percentage, such as at least 75 percent of the surveys in order to project their students NSLP-eligibility from the surveys? In the alternative, should all applicants that use school-wide income surveys be required to base their E-rate discount rate only on the surveys they actually collect? Commenters should indicate what other concerns are associated with requiring schools and school districts to collect these poverty statistics for the purposes of the E-rate program.

EED recognizes that the survey method of determining income eligibility has its challenges, and agrees that a higher percentage of returned surveys would provide for a more accurate determination of the true discount percent. We believe that it is wise to require a higher return percentage of surveys before

extrapolation can occur and agree that 75-80% of surveys returned is not unreasonable for a district. We also recognize that direct certification data[14] (with a multiplier applied), in lieu of NSLP data, might provide a more accurate picture of eligibility than an incomplete survey return.

296. *In the USF/ICC Transformation Order and FNPRM, the Commission revised the record retention requirements for recipients of high-cost support to extend the retention period from five years to ten years.400 In doing so, the Commission determined that the high-cost retention requirement of five years was inadequate for the purposes of litigation under the False Claims Act, which can involve*
conduct that relates back substantially more than five years.402 Similarly, in the Lifeline Reform Order, the Commission proposed to amend its rules to extend the retention period for eligible telecommunications carriers receiving low-income universal service support from three years to at least ten years.403 Similar concerns lead us to propose to amend section 54.516 of the Commission's rules to read as specified below and we seek comment on this proposed rule:

> *(a) Record keeping requirements – (1) Schools, libraries and consortia. Schools, libraries, and any consortium that includes schools and libraries shall retain all documents related to the application for, receipt, and delivery of discounted telecommunications and other supported services for at least 10 years after the last day of the delivery of services or from the end of the applicable funding year, whichever is later. Schools, libraries, and any consortium that include schools or libraries shall also retain any other document necessary to demonstrate compliance with the statutory or regulatory requirements for the schools and libraries mechanism. Schools and libraries shall maintain asset and inventory records of equipment purchased as components of supported internal connections services sufficient to verify the actual location of such equipment for a period of five years after purchase.*
> *(2) Service providers. Service providers shall retain documents related to the delivery of discounted telecommunications and other supported services for at least 10 years after the last day of the delivery of services or from the end of the applicable funding year, whichever is later. Service providers shall also retain any other document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries universal service support mechanism.*

EED does not support document retention requirements such as are necessary in the High Cost Fund. Our applicants have the requirement of retaining documentation a minimum of 5 years from the last date to receive service, which in most cases is 7 years and in some is considerably longer. We have not encountered a situation where the current document retention requirements were not sufficient.

298. *As discussed above, E-rate applicants are currently required to retain documentation that demonstrates compliance with the statutory or regulatory requirements for the E-rate program as well as all asset and inventory records of equipment purchased as components of supported internal connections services sufficient to verify the actual location of such equipment for a period of five years after purchase.404 In the Healthcare Connect Fund Order the Commission required applicants to the HealthCare Connect Fund to submit to USAC competitive bidding documents, including a copy of each bid received, the bid evaluation criteria, bid sheets, a list of people who evaluated bids, memos, board minutes, or similar documents, and any correspondence with vendors during the bidding, evaluation, and*
award phase of the process. Having such documents from E-rate recipients would allow USAC to evaluate more fully the competitive bidding process conducted by E-rate applicants and ensure that documentation of the competitive bidding process was retained in the event of an audit. At the same time, providing such documents would impose additional burdens on E-rate applicants and could increase application review time and administrative costs. We therefore seek comment on whether we should similarly require E-rate applicants to submit competitive bidding documents with their FCC Forms 471. Are there specific documents, such as the bid selection sheet, that would allow USAC to review an applicant's competitive bidding process while minimizing the burden on applicants?

EED believes that requiring the applicant to submit competitive bidding documentation, including a copy of each bid received and verification of every step in the bidding process, would pose an unnecessary burden on both the applicant and the review process. Currently applicants must supply, when asked, any competitive bidding documents that a reviewer needs to see. For our school districts perhaps 1 in 10 will need to produce one of the many competitive documents associated with their funding request. For

[14] U.S. Department of Agriculture, Special Nutrition Programs Report No. CN-12-DC <http://www.fns.usda.gov/ora/MENU/Published/CNP/FILES/DirectCert2012.pdf>

libraries this number drops significantly. We do not believe that there is a problem with the procedure as it stands and that this change would be counterproductive to the Commission's proposed goal of streamlining the administrative process for E-rate applications.

319. *We next inquire whether we should continue to increase the reach of E-rate supported services. In the Schools and Libraries Sixth Report and Order, the Commission revised its rules to allow schools to open their facilities to the general public to utilize services supported by E-rate when classes are not in session.444 The Commission recognized that providing community use on school premises was consistent with the overarching goals of universal service to promote access to telecommunications and information services.445 In order to effectuate this change, the Commission amended sections 54.503 and 54.504 to require applicants to certify that "[t]he services the applicant purchases at discounts will be used primarily for educational purposes," as opposed to solely for education purposes.446 We now seek comment on whether we should permit schools to provide wireless hotspots to surrounding communities using E-rate supported services.*

The public schools in Alaska very much appreciate the Community Use Order which was made permanent in the Sixth Report and Order. We have many success stories where community use of E-rate supported bandwidth during non-school hours was utilized. Our most recent example of wide-spread community use occurred this past May when the Yukon River overflowed its banks and flooded the town of Galena, Alakanuk, Circle, Eagle, Emmonak, Fort Yukon, and Hughes. In Galena approximately 300 of its 500 residents were evacuated and many homes were lost (including the Superintendent of the Galena City School District). Because of the community use order, the community was able to maintain contact with concerned friends and family, as well as begin the task of repair and rebuilding what was lost.

320. We first seek comment on permitting students and the general public to receive E-rate funded Internet access offsite through wireless hotspots. In allowing community use of schools' E-rate supported broadband services, the Commission recognized that students' need for broadband access does not end when their schools' doors close for the day. Allowing after-hours, on-premises access to a school's broadband connections has given students the opportunity to work on homework, school projects and engage in extracurricular activities that require broadband access. At the same time, it has allowed other community members broadband access for adult education, job training, digital literacy programs, and online access to governmental services and resources. However, not all community members who need broadband access can take advantage of on-premises access to school's broadband services. For example, in response to this issue, Oakland Unified School District and Revere Public Schools both filed petitions with the Commission seeking waivers of our rules to allow them to provide wireless hotspots in communities surrounding their schools. We therefore seek public input on the prospect of permitting wireless hotspots for communities.

EED does not believe that the limited and valuable resources of the E-rate fund be spent on community connectivity beyond what was first described in the Community Use Order and made a permanent in the Sixth Report and Order. We acknowledge and value the role of the Lifeline Program within USF.

In Conclusion, EED congratulates the Commission on building a program as successful and vital as the E-rate program has become and believe that, with purposeful adjustments that acknowledge the changing landscape of communication, it will continue to function as such into the foreseeable future. We thank the Commission for posting this NPRM and view it as a positive sign that necessary adjustments to this program will be made as we move forward toward connecting our schools and communities through their public libraries.

Respectfully Submitted,

/s/
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